

March 27, 2006

**City of Milton-Freewater  
City Council Minutes**

The Council of the City of Milton-Freewater met in regular session on Monday, March 27, 2006 at 7:00 p.m. in the Albee Room of the Library.

The following members were present: Mayor Key, Councilors Kelley, Woods, Humbert, Irving, Lyon and Youth Representative Potts. Staff members present were City Manager Delphine Palmer, Assistant City Manager Linda Hall, City Planner Gina Hartzheim, Public Works Superintendent Howard Moss, Finance Director Dave Richmond and Police Chief Mike Gallaher. Citizens present were Ed Chesnut, Chris Wallace, Kathy Neil, Pioneer Posse Court Queen Amber Pack and Princess' Brittany Artz, Megan Choate and Kaylee Van Riper.

Press member present was Melanie Hall from the Valley Herald.

MAYOR'S PRESENTATION. Mayor Key awarded a plaque of appreciation to Ken Records, who previously resigned from the council due to a recent move. Mr. Records stated it had been an honor to serve. He further said he believes the City is really going to change in the next three years. Land use is changing and wineries are moving in. It's going to be a very interesting time for the City.

PIONEER POSSE COURT PRESENTATION. Queen Amber Pack along with her court, Princess' Brittany Artz, Megan Choate, Kaylee Van Riper, appeared before the Council to thank them for their donation this year to the Court's travel fund. The Pioneer Posse Court will be traveling all over the northwest this year and participating in parades, rodeos and community events. In all of the riding events the Court will carry their flag which is adorned with the famous frog logo, except the frog is sporting a cowboy hat. Each person on the Court will also wear their own personal frog as well. The Court's horse trailers are printed with, "Hop on over to Milton-Freewater the third weekend in August for the Muddy Frogwater Days". The Muddy Frogwater Festival is considered by the Court to be their home event. The Court is also working with the Chamber of Commerce to become active Milton-Freewater ambassadors. In February the Court worked at the Annual Chamber Awards Banquet and will be working at the Saager Shoe Shop boot sale as well as the Rotary Club. The Court is looking forward to becoming an active part of other community events and Queen Amber Pack invited everyone to join the Court at the Pioneer Posse grounds every Wednesday evening June through July to enjoy various rodeo events. Queen Amber Pack thanked the Council again for their sponsorship to travel throughout the northwest.

Mayor Key presented the Pioneer Posse Court with a check for their travel this year.

CONSENT CALENDAR ITEMS: The consent calendar consisted of minutes from the February 27, 2006 council meeting. Councilor Irving asked to make an addendum to the minutes of February 27, 2006 regarding the police vehicle purchase and further said the minutes stated a "discussion ensued" and wanted it in the record to recognize that our budget is important and that council waived the need for consideration of conserving fuel when this vehicle was purchased, and that it was discussed. If the City had purchased a front-wheel

drive vehicle versus a rear-wheel drive vehicle, the City could have saved ten miles to the gallon on average. Councilor Irving said he figured this out over the life of a vehicle, which national averages for a police vehicle is approximately 200,000 miles, which calculates to a savings of about \$8,500. Councilor Woods stated that the vehicle was purchased for approximately \$8,000 under line-item budget so will even out. Councilor Irving stated it does not even out when purchasing more than one vehicle and dealing with long term budget costs. Councilor Irving stated he felt the City needed to be practical in the future. Assistant City Manager Linda Hall asked which statements Councilor Irving wanted included in the minutes, whether all or just a point of order, and at what point in the minutes. Councilor Irving stated that “the Council had previously discussed the need for fuel economy in police car purchases. He further stated the City needed to be more budget conscious in the future. The front-wheel drive vehicles would result in as much as \$8,000 annually in fuel savings.” City Manager Delphine Palmer stated that after a discussion, she sent some of the items to Police Chief Gallaher and spoke about the front-wheel drive and researching the prospect of a smaller vehicle. Ms. Palmer said she was not aware that a front-wheel drive vehicle saved that much fuel. Councilor Irving said that after the discussion and as a follow-up, he found that all of the police vehicles in Walla Walla and the state of Washington were all front-wheel drive vehicles. Oregon State Police are better than 50% front-wheel drive vehicles. The local Umatilla County Sheriff will soon have his pickup replaced with a front-wheel drive vehicle. Police Chief Gallaher stated he was not prepared to respond to Councilor Irving specifically, but said he did know that Michigan State Patrol does the bulk of police vehicle testing and then published the results nationwide. The results of this testing reveals that the mileage advantage to the Lumina amounts to a negligible 2 mpg (miles per gallon) to the Ford Crown Victoria. Also, Chief Gallaher said he appreciated Council’s decision to approve the Ford Crown Victoria because the Crown Victoria is currently the only vehicle up for state bid that has the basic police platform needed by municipal police agencies. The City’s officers are multipurpose in that they are investigators and patrol officers and respond to everything from homicide to dog complaints. They have all of their equipment in their vehicle and they have to have the ability to accommodate two or three prisoners at a time in one vehicle. The Chevrolet Impala recently had a one-person cage removed because it disabled the use of the front passenger seat.

Councilor Woods motioned to adopt the consent calendar with the amendments discussed. Councilor Irving seconded the motion which passed unanimously.

## **NEW BUSINESS**

**BID AWARD AUDITING SERVICES FOR THE CITY.** Finance Director Dave Richmond stated that the firm LeMaster & Daniels has been providing auditing services for the City for the last fifteen years—one of their best auditors, Travis Irving, left two years ago and city staff were just notified recently that Lynn Larsen, a very experienced municipal auditor, is moving to Portland also. LeMaster & Daniels is an excellent firm, but they have limited staff experienced in Oregon municipal audits. City staff advertised for an RFP (Request for Proposal) and received three responses. One criterion was to find a firm heavily experienced in municipal government auditing and Mr. Richmond expressed his pleasure in finding Dickey and Tremper from Pendleton, Oregon submitted a competitive bid. Currently this firm audits the City of Pendleton, Redmond, Ontario, The Dalles, Umatilla School District and Blue Mountain Community College. Mr. Richmond further stated that five auditors with this firm only perform these types of audits and staff recommends the bid award to Dickey and Tremper.

Councilor Kelley asked about the dollar difference between Barnett & Moro and the use of Caselle. Mr. Richmond said the City currently uses Caselle software. The difference is experience as Barnett & Moro only audits the City of Hermiston. Mr. Richmond further said that LeMaster & Daniel were substantially higher, but would be bringing auditors from Yakima and Spokane which would incur mileage and per diem charges.

Councilor Irving stated he had taken upon himself to contact Barnett & Moro to receive copies of what they had submitted for their bid proposal. Councilor Irving said he could see where they have quite a bit of municipal experience. Councilor Irving said his concern would then be if Caselle interfaced with our system. Mr. Richmond said Caselle does interface with our system. Councilor Irving said he asked Barnett & Moro if out-of-pocket expenses were included in this because of their mileage and time on the road. Councilor Irving said with two auditors this would be three man hours on the road, and further asked if Dickey and Tremper included this in their cost. Mr. Richmond said all three had included this cost and this is why LeMaster & Daniels was so much higher. Councilor Irving said he did not print more than the one copy from Barnett & Moro as it is fifteen pages, but if anyone else was interested in reviewing the information, they could do so. Councilor Irving said he didn't get information from all of the entities, but knows the past work of LeMaster & Daniels and his son works for them as well, but with their high bid proposal, they eliminated themselves. Councilor Irving said he thought Barnett & Moro was good for two years. Mr. Richmond said all three were the same with a one-year guarantee and another two-year option where either party can negotiate out. Assistant City Manager Linda Hall stated that Caselle is the software that Mr. Richmond uses to record the City's accounting. The auditing firm will not audit the software, but instead the figures. Ms. Hall further said she and City Manager Delphine Palmer were in support of staff recommendation to award the auditing bid to Dickey and Tremper. LeMaster & Daniels have been with the City for several years, but their auditors are moving on which means they will probably send inexperienced auditors that are not familiar with Oregon's municipalities. There is a very steep learning curve and staff was searching for very experienced eyes. The goal is to obtain the hardest look at our City's records possible. The City's books are open to the public and if there is anything inadvertently done wrong, we want experience to catch it so we can correct it. This is not a place to recommend the cheapest venue as the finance world has become extremely complicated with the GASB34 and PERS mandated requirements and staff wants to ensure that every aspect is completely correct.

As a point of clarification, Ms. Hall stated that it is her recommendation to issue an executive summary of the bid information for the Council. But if Council ever should wish to have more information, please call or email and the information will be sent immediately.

Councilor Woods summarized for clarification, the bid award was for a firm with a slightly higher bid that had a larger experience with other similar municipalities. Mr. Richmond concurred stating the recommended firm also has experience with URA (Urban Renewal Agency) audits with thirty years of experience and five licensed auditors.

Councilor Kelley moved to award the bid for auditing services between the City of Milton-Freewater and Dickey & Tremper, LLP in the amount of \$26,850 for the City audit and \$2,500 for the URA audit. Councilor Woods seconded the motion which passed unanimously.

REQUEST FOR COUNCIL TO INITIATE VACATION PROCEEDINGS FOR A WIDER PORTION OF SW 13<sup>TH</sup> AVENUE.

City Planner Gina Hartzheim stated that initially applicant came before the Council to initiate vacation proceedings for a ten-foot wide area on SW 13<sup>th</sup> Avenue. At Council's February 27<sup>th</sup> meeting it was motioned to schedule this for public hearing. Subsequent to that time, applicant's survey was completed and some issues became evident. There is a written statement from applicant provided in council packets and Ms. Hartzheim passed out photographs of the area depicting property stakes and would depicted a proposed 20-foot vacation of the area. The photograph also depicts a very wide area available for any future street construction or improvements in the area. As known, SW 13<sup>th</sup> Avenue is a dead end street that cannot change due to the back portion of the Jacquelyn Street lots. The other issue is that the additional ten-foot area would allow a slightly wider area for applicant to develop, would allow for slightly wider homes on the lots, which would be more pleasing visually, which may then bring an additional price for the homes adding to the tax base for the City. The request before Council this evening is to initiate vacation proceedings on Council's own motion. The City has the same property owner's consent as in the last proceeding, stating there is no objection to the twenty-foot wide area proposed for vacation. Because it is anticipated that there will be no opposition to this request, staff recommends that a motion be made to direct staff to schedule a public hearing on vacation of a 20 foot wide by 100 foot long strip along the north side of SW 13<sup>th</sup> Avenue as shown on the attached map.

Councilor Kelley asked why Paul Seaquist, applicant, has withdrawn his request. Ms. Hartzheim stated that Mr. Seaquist has only withdrawn his request for the ten-foot wide area, and Mr. Seaquist will still be responsible for all publication costs. To remove the public hearing, Mr. Seaquist withdrew his request, and then applied for the twenty-foot vacation request.

Councilor Kelley motioned to direct staff to schedule a public hearing on vacation of a 20-foot wide by 100-foot long strip along the north side of SW 13<sup>th</sup> Avenue as shown on the map. Councilor Woods seconded the motion which passed unanimously.

**Mayor Key announced this was the opportunity for citizens to approach the council with issues not on this agenda. None approached.**

## **MANAGER'S REPORT**

The Manager's report was a discussion for executive session.

## **COUNCIL ANNOUNCEMENTS**

Councilor Kelley asked to discuss the acceptance of letters of interest to fill former Councilor Record's Ward 2 position. Councilor Woods said he would like to have the results of the primary election. After the May primary elections, then the Council may progress forward with a natural bidding process. Councilor Humbert stated there would be four candidates after the primary election that have already shown interest. Councilor Kelley stated she appreciated the views expressed, but was concerned that only one candidate lives in the Ward 2 area. It was determined there are two candidates that live in the Ward 2 area. Council

decided to leave the position vacant until after the Primary election. Assistant City Manager Linda Hall stated this process would not give any one candidate an unfair advantage over another candidate.

Councilor Woods gave copies to the Council regarding the Walla Walla Basin Implementation working group, what the purpose is, what the committee position is, and that Councilor Woods was recently nominated to be the co-chairperson representing Oregon.

The meeting was adjourned to executive session at 7:35 p.m.

Council did not return for any further business.

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Lewis S. Key, Mayor